

**Informal Meeting Minutes
Monday, August 18, 2008
Meeting Scheduled Start Time: 10:00 AM**

**BOARD OF SUPERVISORS
Maricopa County, Arizona
(and the Boards of Directors of the Flood Control District,
Library District, Stadium District, Improvement Districts,
and/or Board of Deposit)**



"The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services to its residents so they can enjoy living in healthy and safe communities"

Board Members

Max Wilson, District 4, Chairman
Fulton Brock, District 1
Don Stapley, District 2
Andrew Kunasek, District 3
Mary Rose Wilcox, District 5

County Manager

David Smith

Clerk of the Board

Fran McCarroll

Meeting Location

Supervisors' Auditorium
205 W. Jefferson
Phoenix, AZ 85003

BOARD OF SUPERVISORS

The Board of Supervisors of Maricopa County Arizona convened in Informal Session at 10:00 AM on Monday, August 18, 2008, in the Supervisors Auditorium with the following members present: Andrew Kunasek, Chairman, District 3; Fulton Brock, Supervisor, District 1; Don Stapley, Supervisor, District 2; Max Wilson, Supervisor, District 4; Mary Rose Wilcox, Supervisor, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; and Victoria Mangiapane, Deputy County Attorney.

PRESENTATION

Human Services

1. MARICOPA COUNTY HEAD START ZERO-FIVE PROGRAM OVERVIEW

Presentation regarding the Maricopa County Head Start Zero-Five Program.

Trish Georgeff, Acting Director, Human Services

Marjorie Weiss, Assistant Director, Human Services (C-22-09-088-P-00)

Marjorie Weiss said that there have been exciting new developments in the Head Start Act. She said that there have been changes in the Act that affect how Head Start operates and the impact to the Board of Supervisors. The County Head Start program currently serves about 2300 children, which is at full enrollment, with approximately 1100 children on the waiting list.

Ms. Weiss gave an overview of program accomplishments for 2007-08. Some of the accomplishments included a five-year Healthy Marriage Initiative Grant and accreditation by the National Association for the Education of Young Children (NAEYC) for two Head Start sites. She said they also implemented market salary adjustments and, as a result, were able to recruit and retain more teachers than ever before.

Some of the biggest challenges have been recruiting qualified staff and rising costs without increased funding. Another challenge involves matching funds, which is accomplished with donations of goods and services.

Ms. Weiss reviewed various aspects of a self-assessment done in April 2008, including program strengths and areas for improvement.

Ms. Weiss said that the program was unable to serve 45 children in the home-based program because of a lack of qualified staff. During the 2007/2008 program year, the Head Start Program served a total of 2,976 children and 27 pregnant women. Spanish was the primary language for 58 percent and 12 percent had a disability.

Ms. Weiss reported that the instrument used to assess the impact on the children measures developmental skills in steps. Sixty-three percent of the children understand complex and varied vocabulary, 54 percent participate in reading activities, 44 percent knew the letters of alphabet and 39 percent can count objects.

Ms. Weiss thanked Supervisor Wilcox and Eric Latto for their participation in the review process and stated that overall, the program is in compliance.

The new Head Start Act was signed into law on December 12, 2007 and converted regulations into law. The Act has a strong emphasis on school readiness, as well as focusing on English proficiency and homeless children.

Ms. Weiss told the Board that the National Academy of Sciences has been directed to study outcomes and assessment because a universal testing tool is needed in order to get an accurate national picture of the program.

Another change in the Act pertains to teacher qualifications. Teachers will be required to have at least an Associates degree. Ms. Weiss told the Board that Maricopa County's program set that threshold three years ago.

The last change pertains to the Board's responsibility. The Board is now required to approve selection and enrollment qualifications, meaning that a policy will come before the Board for approval. Ms. Weiss said they also need to develop procedures on how to report to Board on monthly basis.

Ms. Weiss explained that this is the first year of a three-year grant plan. Goals for the current year include recruiting and retaining qualified staff, focusing on language development and improving the case management system. Classrooms are fully staffed today for first time in three years.

Ms. Weiss informed the Board that about \$4 million in expenses have been absorbed over the last four years. Since there are no more expenses that can be cut, they are now serving 65 fewer children and staff has been reduced from three to two in each classroom; only two are required. Some sites have teachers' aides that can travel from room to room to fill in. Several sites have been closed due to high costs.

Ms. Weiss indicated the program has been designated as a Program of Excellence for six years and is up for renewal. The Program of Excellence designation entitles them to receive a number of special grants. Supervisor Wilcox thanked the department and said that a review by the federal government found only a few items needing correction.

Supervisors Wilson and Stapley thanked Ms. Weiss for coming to make a second presentation. Ms. Weiss said she was grateful for Supervisor Wilcox and Chief of Staff Eric Latto's participation. Chairman Kunasek asked whether teachers with Associates degrees were paid the same as those with Bachelor's degrees and whether they were under the County benefit plan. Ms. Weiss replied that they are paid the same and that they are under the County benefit plan. Supervisor Wilcox said that the program allows children to catch up

and gives parents the opportunity to volunteer.

PRESENTATION AND ACTION

Management and Budget

2. SETTING TAX RATE - MARICOPA COUNTY & FLOOD CONTROL DISTRICT FY 2008-09

The Maricopa County Board of Supervisors resolves that:

1. Pursuant to A.R.S. §§ 42-17151 and 48-3620, and based on the budget it has duly adopted for Maricopa County and the budget adopted by the Maricopa County Flood Control District Board of Directors, the Board fixes and determines the Tax Year 2008 tax rates for Maricopa County and the Maricopa County Flood Control District as follows:

- Fiscal Year 2008-09 Maricopa County Primary Tax Rate at \$1.0327 /\$100 of assessed valuation with a levy of \$463,492,311

- Fiscal Year 2008-09 Flood Control District Secondary Tax Rate at \$0.1367/\$100 of assessed valuation with a levy of \$74,674,333; and

2. Based on the amount of taxes to be raised by property taxation determined by each governmental entity set forth in the "Maricopa County 2008 Tax Levy Packet" (on file in the Clerk of the Board's office, the Maricopa County Board of Supervisors has calculated the numerical tax rates necessary to raise the requested revenues, and pursuant to the direction of each such government entity, levies the amounts of taxes and sets the resulting tax rates, all as set forth in the "Maricopa County 2008 Tax Levy Packet"; and

3. As required by statute the Maricopa County Board of Supervisors has calculated, and therefore levies the amount of taxes and sets the resulting tax rates for specific statutory purposes as set forth in the "Maricopa County 2008 Tax Levy Packet".

4. Pursuant to A.R.S. §42-18003, the Maricopa County Treasurer is directed to collect taxes as required by law from the persons listed on the tax roll.

5. Presentation and discussion of the impact of the Board of Supervisors' property tax policies and related future issues.

On December 3, 2007 under C-49-08-019-8-00, the Board of Supervisors and the Flood Control District Board of Directors approved the Budgeting for Results Guidelines and Priorities for FY 2008-09 that departments/agencies used to prepare their budgets. The Flood Control District collects property taxes based on the secondary net assessed values of real property. Unlike the primary property tax rate, there is no constitutional limitation on growth for the secondary property tax rate. However, the Flood Control District Board of Directors has chosen to impose growth limitations similar to those imposed on the primary rate in order to minimize the burden on the taxpayers of Maricopa County. As a result, beginning in FY 2006-07 the secondary rate associated with the Flood Control District was capped at 2% annual growth on property taxed in the prior year. The Flood Control District Secondary Tax Rate in FY 2007-08 was at \$0.1533/\$100 of assessed valuation, and in FY 2008-09 is being determined and fixed at \$0.1367/\$100 of assessed valuation, a reduction of \$0.0166/\$100 of assessed valuation, as a result of continuing the cap. The Maricopa County Board of Supervisors adopted the Final Budget on June 19, 2008. (The Maricopa County 2008 Tax Levy Packet is on file in the Clerk of the Board's office) (C-49-09-012-2-00)

Chris Bradley, Deputy Budget Director, initiated a presentation regarding adoption of the property tax levy. Mr. Bradley reviewed graphs of property tax rate trends, comparisons, forecasts and other factors that impact Maricopa County's economy.

In response to a question from the Chairman regarding full cash and median values, Mr. Bradley replied "When the market values decline, you'll eventually see the full cash values decline. On the limited cash values, because the rate of growth is capped from year-to-year at ten percent on an existing property, what would happen is, if the values had continued to go up it would have taken awhile for the limited cash values to catch up with the full cash values. Now, I think what will happen is they will just catch up with them when they come back down. We might never actually see the limited cash value actually go down; it probably will flatten out."

Mr. Bradley further explained that the limited cash value can never exceed the full cash value. If the full cash trend line started going down below the level of the limited cash value, "You would see the limited cash value go down as well."

Sandi Wilson, Deputy County Manager, presented an overview of tax revenue forecasts and State budget issues. Ms. Wilson reviewed sales tax revenue growth over prior year FY 2007 to FY 2008 and said that economists aren't sure where the bottom will be.

Supervisor Wilson had concerns with the County's vulnerability to state budget shortfalls. Chairman Kunasek thanked the Office of Management and Budget for their hard work.

Motion to approve by: Supervisor Stapley, Seconded by: Supervisor Wilcox
Ayes: Kunasek, Stapley, Brock, Wilcox, Wilson

3. STREET LIGHTING IMPROVEMENT DISTRICT SECONDARY ROLL TAX RATES

The Maricopa County Board of Supervisors resolve that:

Pursuant to A.R.S. § 48-955, and based on the budget duly adopted for each of the Maricopa County Street Lighting Improvement Districts, the Board of Supervisors fixes and determines the Tax Year 2008 tax rate for each Maricopa County Street Lighting Improvement District as follows:

- Fiscal Year 2008-09 Street Lighting Improvement District Secondary Roll Tax Rates and corresponding levies as shown on Tax Levy Packet.

The Office of Management and Budget coordinated with the County Manager on the recommended FY 2008-09 Tentative Budget, which was approved by the Board on May 21, 2008. On June 19, 2008, the Board adopted the Final Budget. The Maricopa County 2008 Tax Levy Packet is on file in the Clerk of the Board's office. (C-49-09-011-2-00)

Motion to approve by: Supervisor Stapley, Seconded by: Supervisor Wilcox
Ayes: Kunasek, Stapley, Brock, Wilcox, Wilson

MEETING RECESSED

Chairman Kunasek recessed the Board of Supervisors and convened as the Board of Directors of the Library District.

MEETING RECONVENED

Chairman Kunasek reconvened the Board of Supervisors.

4. EXECUTIVE SESSION

Vote to convene in Executive Session to consider items on the Executive Agenda dated Monday, August 18, 2008, pursuant to statutory authority listed for each item.

Motion to approve by: Supervisor Stapley, Seconded by: Supervisor Wilcox
Ayes: Kunasek, Stapley, Brock, Wilcox, Wilson

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Andrew Kunasek, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board